



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF GOES)
TELECOM, INC. FOR AUTHORITY TO PROVIDE)
LOCAL EXCHANGE AND INTEREXCHANGE)
TELECOMMUNICATIONS SERVICES)
THROUGHOUT THE STATE OF NEW JERSEY)

ORDER

DOCKET NO. TE03100798

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. §151 et seq., and by letter dated October 10, 2003, GOES Telecom, Inc. ("Petitioner" or "GOES Telecom") filed a Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide facilities-based local exchange and interexchange telecommunications services in the State of New Jersey. Pursuant to the Open Public Records Act N.J.S.A. 47:1A-1 et seq., Petitioner has submitted its financial information under seal and has included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of proprietary information.

GOES Telecom is a privately held corporation organized under the laws of the State of New Jersey. Petitioner's principal offices are located at 271 Main Street, Suite C, Hackettstown, New Jersey 07840.

Petitioner has submitted copies of its Certificate of Incorporation from the State of New Jersey. According to the Petition, GOES Telecom was formed to provide facilities-based local exchange and interexchange telecommunications services throughout New Jersey. Petitioner states that Global Online Electronic Services, Inc. ("Global Online"), a New Jersey based Internet Service Provider and privately held corporation, is initially funding its operations with the expectation that its customers will be provided with higher quality and more cost competitive switched digital services. The Petitioner further states that this should permit Global Online to provide its customers with improved performance, quality and expanded digital services. According to the Petition, GOES Telecom currently does not have an interconnection agreement with an Incumbent Local Exchange Carrier ("ILEC"). However, once the Board grants authority requested herein, the Petitioner will enter into an interconnection agreement and will file a tariff for Board approval. Petitioner states that there have not been any civil or criminal proceedings

instituted against GOES Telecom in any jurisdiction. Petitioner states that it maintains a toll-free number for its customer service inquiries.

In its Petition, the Company seeks authority to provide facilities-based resold local exchange and interexchange telecommunications services to both residential and business customers throughout the State of New Jersey. The Petitioner states that it plans to provide basic telephone, internet, digital subscriber line, access, call waiting and forwarding, speed dialing, distinctive ringing and three way calling services to business and residential customers. Petitioner states that it also plans to offer operator, 911 and E911, directory listing, third party calling arrangement, local calling and per use such as call return and call redial services. Petitioner indicates that it will combine switch-less resale and leasing of local loops in conjunction with purchasing unbundled Network Elements ("UNE") from Verizon-New Jersey, Inc. Petitioner states that it also intends to install a switch and to build out portions of its own network. According to the Petitioner, initially it will offer services in the North Jersey local access and transport area and expand into other regions of New Jersey as business increases. Petitioner states that it will provide services by utilizing some or all of the UNE, including UNE Platform of the ILEC. Petitioner further states that it will also provide interexchange services by reselling ILEC or interexchange services. Petitioner states that it seeks authority to provide services that:

- (1) Allow its customers to originate and terminate local calls to customers served by the Petitioner as well as customers served by all other authorized local exchange carriers;
- (2) Provide switched access services to interexchange carriers, thus allowing Petitioner's customers to originate and terminate intrastate and interstate calls to and from the customers of interexchange carriers.

Petitioner requests a waiver of N.J.A.C. 14:1-4.3, which requires that, books and records be maintained in accordance with the Uniform System of Accounts ("USOA"). In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles. Petitioner also states that upon written notice from the Board and/or Board Staff, it will provide its books and records as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Petitioner also asserts that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

With regard to its technical and managerial qualifications, GOES Telecom states that it possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Petitioner has submitted the professional biographies of its key personnel who, according to GOES Telecom, are well qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et. seq., was signed into law, removing barriers to competition by providing that:

[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.

[47 U.S.C. §253(a)].

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, assuming Petitioner meets all other requirements, including, but not limited to, a demonstration of financial, technical and managerial integrity.

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets. 47 U.S.C. §253(a). Approval is also in keeping with the New Jersey State Legislature's declaration that it is the policy of the State to provide diversity in the supply of telecommunications services, and its findings that competition will "promote efficiency, reduce regulatory delay and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed GOES Telecom's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements which are necessary to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange and interexchange telecommunications services throughout New Jersey subject to approval of its tariff. The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60 and N.J.S.A. 52:27E-61 and 52:27E-62, the Petitioner is subject to an annual assessment by both the Board and Division of Ratepayer Advocate, respectively. The Board notes that the Petitioner will not be permitted to provide telecommunications services until a tariff is approved by the Board.

The Board HEREBY ORDERS that:

- 1) Petitioner file its tariff for Board approval.
- 2) Pursuant to N.J.S.A. 48:2-16.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year.
- 3) Pursuant to N.J.S.A. 48:2-59 and 48:2-60, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 of the following year.

On or before February 1st of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the company's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and a statement of gross intrastate revenues from operations form is due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records in accordance with USOA. Therefore, subject to the Petitioner's continuing responsibility to provide the Board books and records upon 48

hours notice, and in the manner requested, and to pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA.

DATED: 12/18/03

BOARD OF PUBLIC UTILITIES
BY:

(SIGNED)

JEANNE M. FOX
PRESIDENT

(SIGNED)

FREDERICK F. BUTLER
COMMISSIONER

(SIGNED)

CAROL J. MURPHY
COMMISSIONER

(SIGNED)

CONNIE O. HUGHES
COMMISSIONER

(SIGNED)

JACK ALTER
COMMISSIONER

ATTEST:

(SIGNED)

KRISTI IZZO
SECRETARY

IN THE MATTER OF THE PETITION OF GOES TELECOM, INC.
FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE AND
INTEREXCHANGE TELECOMMUNICATIONS SERVICES
THROUGHOUT THE STATE OF NEW JERSEY

DOCKET NO. TE03100798

SERVICE LIST

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